

To: Wayne A. Wetzel (BLM)
To: Wayne Western (DOGM)
Date: December 19, 2014

RECEIVED
DEC 2 2 2014
DIV. OF OIL, GAS & MINING

# REFRENCE NUMBER 2800 (UTC02) UTU-90494

I am confirming the letter sent on December 8 2014 in regards with the upper Crescent Creek Road (BLM route 14000). Bromide Mine has actively trying to work on the issue for ROW since it last meeting with John Raey and Sue Fivecoat at the Hanksville Utah BLM office.

Bromide since then has actively worked with trying to achieve a contractor which can create a new road above the upper Crescent Creek Road (BLM route 14000). Please see attached exhibited.

Bromide is willing to work with the BLM and bring the road upper Crescent Creek Road (BLM route 14000) to reclaim. In no way did Bromide have any intentions of not co-operating with the BLM.

Bromide Mine LLC has closed for the winter and will reopen the road in the beginning of March 2015, prior that time we will gladly discuss and execute a reclamation with the BLM for Bromide priority in March 2015.

Bromide will need to discuss with the BLM while we are busy working on the new ROW above the upper Crescent Creek Road (BLM route 14000) of what Bromide is permissible. This will be better after our meeting in writing.

I will be in mid Jan 2014 in Utah, please let me know where and when we can meet.

Yours truly

Erez Goldgraber

Headquarters: 80 SW 8th Street Suite 2000 Florida 33130

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Date: November 20, 2014

To: Erez Goldgraber

**Shane Scott** 

Bromide Mining, LLC

From: O Jay Gatten, CEO & Professional Geologist

North American Mine Services, Inc.

RE: Work Proposal, Mine Road Design and Permit

North American Mine Services (NAMS) proposes the following work to be done on behalf of Bromide Mining, LLC (BML):

- Initial Assessment (\$4,500 est. cost)
  - Meet with BML Personnel.
  - Meet with Bureau of Land Management (BLM) personnel in both Richfield and Hanksville, UT.
  - Select route of mine road.
  - Prepare a detailed CAD drawing of the route as a starting point for road design and engineering.
- Mine Road Design (\$30,000 \$35,000 est. cost)
  - Prepare required drawings and profile of road.
  - Field visits as required.
  - Meet with BML and BLM personnel.
  - Staking of roadway prior to BLM field assessment.
  - Final drawings and profiles signed by professional engineer and approved by BLM.
- Right-Of-Way Application (\$15,000 est. cost)
  - File application for Right-of-Way (ROW)
  - Coordinate with BML and the BLM.
  - Determine the environmental studies to be required to obtain the ROW.
- Environmental Work (\$TBD)
  - To be conducted by qualified subcontractors.
  - Required work will be determined by the route of the proposed road and its environmental impacts.

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NAMS proposes to do the 1) Initial Assessment, 2) Mine Road Design, and 3) Apply for the ROW for an estimated cost of \$49,500 to \$54,500. This estimated cost does not include the cost of related environmental studies which will be determined at a later date. Actual costs will be for work performed by NAMS personnel or subcontractors as per the attached schedule of rates and charges. An advance of \$10,000 would be required to begin work on this project. We can start on this project next week and would complete the Initial Assessment by December 31, 2014.

We look forward to working for you to help develop and advance your Bromide Mining project. Thank you for your consideration.



# North American Mine Services, Inc.

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North American Mine Services, Inc. (NAMS), a subsidiary of North American Exploration, Inc., provides geologic, hydrologic, engineering and environmental support services. Personnel have hands-on experience with MSHA and OSHA training required for environmental and mine operations. NAMS provides environmental support services and works cooperatively with clients to effectively complete environmental projects, particularly projects related to mining operations.

NAMS currently employs 20 full-time professional personnel based in Kaysville, Utah, and Tyler, Texas. An additional professional support staff of about 30 people are also available from the North American Exploration (NAE) office in Kaysville, Utah. NAE has provided contract mineral exploration services to over 100 clients for more than 30 years. Our specialty is supplying geologic, hydrologic, engineering and environmental support services to clients in coal, base and precious metal, and industrial mineral mining operations.

# NORTH AMERICAN MINE SERVICES, INC.

Experienced - Practical hands-on experience on environmental projects.

**Dependable** - Quality environmental personnel and support services available throughout the western USA.

**Versatile** - Successful experience in coal and lignite, base and precious metal and industrial mineral mines providing geologic, hydrologic, engineering and environmental support services.

Quick Response Time - Personnel equipment and logistical support to meet your project requirements.

Competitive - NAMS services are competitively priced and cost effective.

**Project Management** - *NAMS* personnel will handle any aspect of a project, from a single task to a turn-key project.

Easy to use - We provide cost and time estimates of projects at no obligation.

No Risk - We are fully trained, and safety is a top consideration.

NAMS people and equipment are fully insured.

472 NORTH MAIN STREET - KAYSVILLE, UTAH 84037-1173 TELEPHONE: (801) 546-6453 - FAX: (801) 546-0884

5610 Old Bullard Road - Suite 206, Tyler, Texas 75703 TELEPHONE: (903) 534-1770 - FAX: (903) 534-1722



# Geology

North American Mine Services applies proven geologic principles and judgement, backed by field investigations and sound interpretations.

Specific mine related activities include:

Evaluations of Coal Quality
Coal and Mineral Reserve Evaluation
Coal Seam Mapping - Isopach, Isopleth and Structure
Determine Ore Grade
Assist in Mine Modeling Input and Mine Planning
Slope Stability Evaluations
Surface and Subsurface Mapping
Drilling Supervision

# FOR MORE INFORMATION

Whatever your environmental or mine-related needs may be, *North American Mine Services, Inc.* is at your service to help you get the job done. How can we assist you?

Call us for information today or see us on the web at www.nae-xploration.com



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LIST OF CLIENTS

# COAL and LIGNITE

Ashland Oil Company
City Public Service Company (San Antonio, Texas)
Consolidation Coal Company
Falkirk Mining Company
Morrison Knudsen Corporation
Northwestern Resources
Phillips Coal Company
Shell Oil Company
Texaco, Inc.
Texas Utilities Mining Co.

Texas Utilities Mining awards lignite contract to North American Exploration North American Exploration Inc. (parent company of North American Mine Services, Inc.) was awarded a major lignite development contract by Texas Utilities Mining Co. The two-year contract includes work at the Big Brown, Martin Lake and Monticello mines in eastern Texas. Work will include production drilling, water well drilling, well bore geophysical logging and general contract supervision, including field services in geology and hydrology. (Coal. March 1993)

Virginia Geological Survey

## **ENVIRONMENTAL**

A.K.R.F., Inc. Cominco American Resources, Inc. ERM Northeast

### METALS

Anaconda Company
BHP-Utah Minerals International, Inc.
Cambior, Inc.
Cominco American Resources, Inc.
Energy Fuels Corporation
Everest Exploration Company
Exxon Company, U.S.A.
Ferret Exploration Company
FMC Gold Company
Gold Fields Mining Corporation
Gulf Mineral Resources Company
Homestake Mining Company
Kennecott Corporation
Kerr-McGee Corporation
Lac Minerals (USA), Inc.

Morrison Knudsen Corporation Kennecott Corporation U. S. Corps of Engineers

Maine Geological Survey
Molycorp, Inc.
Noranda Mining, Inc.
Oglebay Norton Company
Pegasus Gold Corporation
Phelps Dodge Corporation
Phillips Petroleum Company
Rio Algom Exploration, Inc.
Santa Fe Pacific Mining, Inc.
Societe D'Exploration Miniere Vior, Inc.
Teck Resources, Inc.
U. S. Borax and Chemical Corporation
U. S. Mineral Exploration, Inc.
Westmont Mining, Inc.

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February1, 2014

# 2014 SCHEDULE OF RATES AND CHARGES

# **RATES:**

Principal Geologist	\$ 100/hour
Senior Engineer	75-90/hour
Engineer	65-75/hour
Senior Geologist	70-80/hour
Geologist	60-70/hour
Senior Reclamation Specialist	70-80/hour
Reclamation Specialist	60-70/hour
Technician/Administrator	40/hour
Draftsman-CAD/GIS	45/hour
Landman	60-80/hour

# **EXPENSES**

Subsistence	At $cost + 15\%$
Vehicle (4WD)	\$ 45/day + \$.50/mile
Expendable Supplies and	
Miscellaneous Expenses	At $cost + 15\%$

All client authorized work subcontracted through NAMS is subject to a fee of 10%.

From: O.Jay Gatten

Sent: Thu, Nov 20, 2014 at 12:24 pm
To: e.goldgraber@bromidemining.com

Cc: s.scott@bromidemining.com, 'Oren Gatten'

Bromide Mining Work Proposal November 20 2014.pdf (1.3 MB)

Bromide Mining Work Proposal November 19 2014.pdf (1.3 MB) - Download all

## Erez.

Attached please find our work proposals for the road design and permits, also a water rights assessment. I have visited with Shane and he has given us the general route of the new road and back ground information for both projects.. We are open to your comments and questions.

Thank you for your consideration. We hope that you are doing well. I am impressed with your travel schedule!

Jay

O. Jay Gatten Professional Geologist North American Exploration, Inc. 447 North 300 West Suite #3 Kaysville, Utah84037 801-544-3421

Mesa: (480) 807-0095 Salt Lake City: (801) 649-5141

San Francisco: (415) 738-8497

transconenvironmental.com



Jeff Davis Transcon Environmental, Inc. 579 West Galena Park Place, Unit 102 Draper, Utah 84020

July 11, 2014

Erez Goldgraber Bromide Mining, LLC 2335 NW 107<sup>th</sup> Ave Suite 2M46 Miami, Florida 33172

RE: Upper Crescent Creek Road Right-of-Way Work Plan and Cost Estimate

Dear Mr. Goldgraber:

Pursuant to our discussion, Transcon Environmental (Transcon) is pleased to submit a Scope of Work and Cost Estimate to assist Bromide Mining, LLC (Bromide Mining) in acquiring a grant of right-of-way from the Bureau of Land Management (BLM) for use of the Upper Crescent Creek Road (BLM Route 14000). The BLM has requested that a grant of right-of-way be obtained by Bromide Mining to use, improve, and maintain approximately 1.25 miles of the road located on BLM administered lands. Additionally, the project consists of an existing road that is associated with Crescent Creek. Crescent Creek is a perennial stream that is either crossed or within the road bed.

The major permits necessary for the road would include the following:

- Grant of Right-of-Way from the BLM Richfield Field Office
- Nationwide Permit, U.S. Army Corps of Engineers
- Stream Alteration Permit, Utah Division of Water Rights (Optional)
- Stormwater Pollution Prevention Plan (Optional)

Approval of the BLM grant of right-of-way is likely to define the schedule and complexity of the environmental approvals necessary for this project. It is the obligation of the BLM to review the project for biological and cultural resources. Our cost estimate has been prepared with the assumption that the BLM will require a review of the entire alignment which addresses potential impacts to threatened or endangered species, BLM sensitive species, cultural resources, and water resources. The investigations performed for these resources will also be applied to other permits required for the project, as necessary. It is anticipated that the BLM will require a Simple Environmental Assessment to comply with National Environmental Policy Act (NEPA) requirements.

The information provided includes: (1) a scope of work detailing tasks, deliverables, and schedules, and (2) a cost estimate for each task.

#### SCOPE OF WORK

Task 1 Grant of Right-of-Way from the BLM Simple Environmental Assessment

Responsibility: Transcon, Bromide Mining

**Description:** A BLM Grant of Right-of-way is issued after the following activities are completed:

- 1. File Application. A Standard Form 299 must be submitted along with a Plan of Development. Transcon will assist in preparing the draft application and the Plan of Development. The Plan of Development describes in detail the proposed project, the location, and construction methods. Bromide Mining will provide details to build the Plan of Development (purpose and need, construction methods, engineering drawings, etc.). Transcon will coordinate and participate in a pre-application meeting with the BLM Richfield Field Office and Bromide Mining.
- 2. Complete the NEPA document and obtain a Decision Record. The BLM will complete the Interdisciplinary Checklist and Transcon will assist in the completion of the NEPA document, as requested by the BLM. It is anticipated that the NEPA document will be a simple Environmental Assessment. The document will examine the project area (1.25 mile road) and predict potential impacts from the project to the human and natural environment. The document will include maps, exhibits, and mitigation measures. It is assumed no public hearings or scoping is required or if they are, the BLM will assume this task by posting the project announcement on their website. Significant resource impacts are not anticipated.
- 3. Complete cultural resource research, survey, report, and consultation in compliance with the Nation Historic Preservation Act (see Task 2).
- 4. Complete biological resource research, survey, report, and consultation in compliance with the Endangered Species Act (See Task 3).

#### **Deliverables:**

- Standard Form 299
- Plan of Development
- Pre-Application Meeting
- Simple Environmental Assessment

Schedule:

Plan of Development and SF 299 Application completed and a pre-application meeting within three weeks of the notice to proceed. The timing of the simple Environmental Assessment would be determined following the pre-application meeting the BLM.

Task 2 Cultural Resources Research, Surveys, Reports, and Consultations

Responsibility: Transcon

# **Description:**

The BLM will require a cultural resource investigation in order to comply with the National Historic Preservation Act. Compliance with this act is required for the BLM to issue a grant of right-of-way. It is assumed the BLM will be the lead agency for consultation with the Utah State Historical Preservation Office. The activities performed by Transcon will include:

- 1. Performing a literature search to document previous recorded cultural resource surveys or recorded sites in the vicinity.
- 2. Conducting consultation with appropriate agencies and tribes (BLM).
- 3. Performing a pedestrian survey of the proposed project area and recording any cultural resources identified. It is assumed that no more than two simple sites would be recorded.
- 4. Preparing a report that documents findings and makes an evaluation of significance and potential impacts.
- 5. Providing recommendations for mitigation as necessary.

Review of the Utah State Historic Preservation Office records indicates that the project is located in an area with high potential for cultural resources. Crescent Creek Road has been used since 1870 and is located in the vicinity of a designated historic mining district. Based on initial review of the records the road has not previously been surveyed in recent times.

#### Deliverables:

Draft / Final Cultural Resources Class III Inventory Report (2 copies)

Schedule:

Draft report within four weeks following the pre-application meeting (assuming no snow)

#### Task 3 Biological Resources Research, Survey, and Report

Responsibility: Transcon

### **Description:**

Compliance with the Endangered Species Act is required for the NEPA process lead by the BLM. Additionally, the BLM will require an examination of those plant and animal species on the BLM's list of Sensitive Species. The task involves a field habitat survey; the purpose of this survey is to characterize vegetation communities and habitat conditions, and identify the presence of habitat for threatened or endangered species. Transcon will also address habitat conditions for birds protected under the Migratory Bird Treaty Act and review the project alignment for the presence of noxious weeds. A Biological Evaluation will be developed for the project which will document the field findings and make recommendations to limit impacts to protected or sensitive species.

It is anticipated that species protected by the Endangered Species Act are not found within the project area and that consultation with the U.S. Fish and Wildlife Service will not be necessary.

**Deliverables:** 

Biological Evaluation (2 copies)

Schedule:

Draft Biological Evaluation within four weeks of the notice to proceed (assuming no snow).

Task 4

Section 401 and 404 Clean Water Act Compliance / Stream Alteration Permit (OPTIONAL)

Responsibility: Transcon

Description:

It is understood that the road in questions is associated with Crescent Creek, which is a perennial stream that is potentially impacted by the proposed project activities. This task is optional, if approved Transcon will perform a field characterization and document potential jurisdictional waters and wetlands associated with the project. This information, as needed, will be used to support permitting activities with the U.S. Army Corps of Engineers who oversee section 401 and 404 of the Clean Water Act, which address water quality as well as dredge and fill activities in the jurisdictional waters of the U.S. It is assumed the project would qualify for a Nationwide Permit.

In addition, this information would also be used to support an application to the Utah Division of Water Rights for a Stream Alteration Permit. This permit is required for any construction activity occurring within stream banks or stream beds.

To reduce costs and maintain project efficiencies Transcon will perform field review with the same staff carrying out the biological review.

**Deliverables:** 

- Nationwide 12 Permit Package (2 electronic copies)
- Stream Alteration Permit (2 copies)

Schedule:

Transcon will complete the Nationwide 12 Permit Package and Stream Alteration Permit for submittal to these agencies within four weeks of the notice to proceed (assuming no snow).

Task 5

Storm Water Pollution Prevention Plan (OPTIONAL) Clean Water Act Section 402

Responsibility: Transcon, Bromide Mining

**Description:** 

This task is optional and depends on whether the project will result in more than one acre of ground disturbance. If the project will disturb more than one acre, a Utah Pollution Discharge Elimination System (UPDES) Storm Water Permit from the Utah Division of Water Quality will be required. Bromide Mining with assistance from Transcon will perform compliance with the UPDES, including filing a Notice of Intent and the preparation of a Storm Water Pollution Prevention Plan (SWPPP). The SWPPP will recommend best management practices for construction activities to reduce erosion and sedimentation. The application of the SWPPP will be executed by Bromide Mining and their construction contractor.

### **Deliverables:**

Notice of Intent

Storm Water Pollution Prevention Plan (2 copies)

Schedule:

Prior to construction activities.

# **Additional Assumptions**

- The project area will be clearly staked by Bromide Mining prior to the initiation of environmental investigations.
- Local permits and authorizations are not part of this scope.
- Transcon personnel will attend one project meeting in Richfield. Subsequent contact with Bromide Mining or agencies will occur by telephone or e-mail.
- Species specific surveys will not be necessary.
- A formal wetland delineation will not be necessary.
- Engineering and road design will be provided by Bromide Mining.
- A single field trip by the biologist and archaeologist would occur together during the same visit and constitute the only site visit associated with the project.

### **COST ESTIMATE**

TASK	DESCRIPTION	LABOR/EXPENSES
1	BLM Grant of Right-of-Way Simple Form Environmental Assessment	\$12,500
2	Cultural Resources Research, Survey, Report, and Consultation	\$8,625
3	Biological Resources Research, Survey, Report, and Consultation	\$4,725
4	Clean Water Act Section 401 and 404 / Stream Alteration Permit (Optional)	\$2,590 Optional
5	Storm Water Pollution Prevention Plan (Optional)	\$3,430 Optional
OTAL	(without Optional Tasks 4 and 5)	\$25,850

These costs are provided on a not-to-exceed basis. If the work tasks and costs are acceptable to you, we are available to begin work on this project immediately. Prior to work being initiated a retainer of \$15,000 will be required to cover initial project activities. Once Transcon's invoices reach this amount the remainder of the budget will need to be provided to close out the project activities. Please contact me directly if you have any questions about this information.

Sincerely,

Jeff Davis

Vice President